CHANGE MANAGEMENT AND PERFORMANCE OF KENYA FERRY SERVICES IN MOMBASA COUNTY, KENYA

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DECLARATION

This research project is my original work and has not been presented for the award of a degree or diploma of Kenyatta University of or any other academic institution.

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DEDICATION

I kindly and affectionately dedicate this paper to my entire family Mr and Mrs Laban Kahoro as one of the way to appreciate your much effort rendered to me as far as my education is concerned and pray to God to reward you on earth and thereafter.
ACKNOWLEDGEMENT

This would not have been possible without the guidance and the help of several individuals who in one way or another contributed and extended their valuable assistance in the preparation and completion of this proposal. First and foremost, my sincere gratitude goes to the Almighty God for being with me throughout the course and providing resources and energy to complete my studies.

Most sincere gratitude to my supervisor Mr. James Rugami whose sincerity and encouragement I will never forget. As my supervisor, he has been very helpful in research topic formulation, and also identification of objectives in line with the topic of study. Last but not the least, to my parents and friends who provided moral support in one way or another and which contributed to the development of this proposal.
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<tr>
<td>CAD</td>
<td>Computer-assisted design</td>
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<tr>
<td>CAM</td>
<td>Computer-assisted manufacturing</td>
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<tr>
<td>CIPEV</td>
<td>Commission Of Inquiry For Post Election Violence</td>
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<td>IT</td>
<td>Information Technologies</td>
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<td>KCB</td>
<td>Kenya Commercial bank</td>
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<td>KFS</td>
<td>Kenya ferry services</td>
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<td>KPA</td>
<td>Kenya Ports Authority</td>
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<td>NIC</td>
<td>National Industrial Credit</td>
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<td>National University of Ruanda</td>
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OPERATIONAL DEFINITION OF TERMS

1. **Change management**: These are guidelines on how to prepare, equip and support individuals to successfully adopt change in order to drive organizational success.

2. **Performance**: The accomplishment of a given task measured against preset known standards of accuracy, completeness, cost, and speed.

3. **Organizational technology awareness**: These are activities that help to identify what technologies make sense to use in given a specific problem in the organization. These activities are used to educate people about the capabilities of the technology, so they can begin to think creatively about transforming the way the organization operates.

4. **Organizational Culture**: These are the values and behaviors that contribute to the unique social and psychological environment of an organization.

5. **Organizational structure**: This is a framework that defines how organizational activities are directed toward the achievement of organizational goals.

6. **Communication**: This is the act of conveying intended message from one party to another through the use of mutually understood language.
ABSTRACT
Change management is a style of management that aims at encouraging organizations and individuals to deal effectively with the changes taking place in their work. For change management to be successful and its effect positive, managers or supervisors in the organizations need to understand what motivates their team and enroll employee participation. Organizations undergoing transformations must have teams that champion the change process. This demands that all employees within the institutions desiring change especially the top management must commit to the change process. The study aimed to determine the effect of change management and the performance of Kenya ferry services. The specific objectives of this study were: to determine the effect of information technology on the performance of Kenya ferry services; to analyze the effect of organizational culture on the performance of Kenya ferry services; to examine the effect of organization structure on the performance of Kenya ferry services and finally to investigate the effect of communication on the performance of Kenya ferry services. The study used Stake holders’ theory, Lewins three step change theory and Kotters 8-step change management theory. The study used cross sectional survey research design, primary data was collected by administering questionnaires. The target population was made up of 62 members of staff drawn from four departments. Census was used for the purpose of this study where all the members in the population were. Data was collected by the use of open ended questionnaires. Reliability was ensured through a pilot test carried on 6 respondents from Kenya Ports Authority who were not included in the study. Once the questionnaires were collected, they were edited to detect errors and omissions for consistency and completeness. The data was analyzed by the use of Statistical Package for Social Science version 24, T-test was used to test the relationships between variables. The study found out that information technology awareness, organizational culture and communication strongly affect change management, organizational structure has a weak effect on change management. The study concluded that Change in organization structure should be flexible enough to respond quickly to changes, challenges and uncertainty. A Well-functioning organizational structure is important for an organization going through change, because if there are flaws in the structure it will affect communication flow. The study also concluded that when there is a good communication between the employees and employers, and the proper information of strategic relevance of imposed organizational change being told, this can help the employee to accept the change. Better acceptance of the change will lead employees to have better performance. The study recommends that for successful change implementation, workers should be properly trained on change programmes and should be educated on the reasons for change. To avoid resistance to change, appropriate change strategies should be put in place by change managers the participative strategy is recommended for change managers.
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

Change management is a style of management that aims at encouraging organizations and individuals to deal effectively with the changes taking place in their work (Green, 2010). Conner (2010) also defined change management as a set of principles, techniques and prescriptions applied to the human aspects of executing major change initiatives in organizational settings. While Moran and Brighton (2011) defined change management as the process of continually renewing an organization direction, structure and capabilities to serve the ever changing needs of external and internal customers.

Burnes (2004) asserted that change is an ever present feature of organizational life, both at the operational and strategic level. Due to its importance, change management is becoming imperative and needs appropriate managerial skills and strategy. For firm to survive, succeed and remain competitive in today’s highly volatile and continuously evolving business environment, it must be able to successfully manage the change which is as a matter of fact a necessity.

For change management to be successful and its effect positive, managers or supervisors in the organizations need to understand what motivates their team and enroll employee participation. In fact separating managers from leadership in terms of style is difficult because every manager needs to have leadership skills to get activities done and every leader should have managerial skills to induce workers to change directions. This is especially important in organizations or institutions which are going through change since constant motivation and guidelines are needed for effectiveness of employee performance (McLagan, 2011).

Change is unavoidable in organizations today and is of paramount importance to study how change factors affect employees’ performance. Change is what presses us out of our comfort zone and it is inevitable (Sidikova, 2011). The factors that contribute to change range from cost reduction, redundancies, technological, cultural change and performance improvement. Change management is the process tools and techniques to manage the people side of business change to achieve the required business outcomes also to realize that business change effectively within the social infrastructure of the workplace (Burnes, 2010).
According to Kitur (2015), change comes in an organization in many forms: merger, acquisition, joint venture, new leadership, technology implementation, organizational restructuring, and change in products or regulatory compliance. The change may be planned years in advance or may be forced upon an organization because of a shift in the environment. Organizational change can be radical and alter the way an organization operates, or it may be incremental and slowly change the way things are done.

According to Olubayo (2014) In the global market economy, technology introductions, aging boomer population, and less than honest world competition have all had an effect of change management. With the sudden financial shock in late 2008, many employers rushed to downsize their organizations to capture possible profits. In today’s business environment, it’s becoming obvious that nothing remains still. It emphasizes that the rate of change which business organizations face have continued to increase more and more in the last five decades. This is as a result of advances in information and communication technology increasing democratization of economies and liberalization of economies across the globe.

Due to the ever changing business environment modern organizational change is largely a result of external shocks rather than internal factors (Yang, A.S, Teece D.J 2008). When these changes occur organizations that adapt quickest create a competitive advantage for themselves, while the companies that refuse to change get left behind hence the need for an effective change management plan Change management is a continuous process that involves attempts to match the organization with its changing environment in the most advantageous way possible (Digman, 2009).

Despite the increase in the perceived necessity of change and attempts at implementing organizational change initiatives, it has been estimated that at least two-third of organizational change efforts do not result in their intended aims nor do they foster sustained change (Choi & Ruana, 2011). Employee resistance is the most often cited problem encountered by management when trying to implement change, yet for an organization to change, it is essential that the employees of that organization also change. Therefore, employee cooperation with organizational change efforts is indisputably connected and related to either the ultimate success or failure of a change initiative (Bovey & Hede, 2011).
1.1.1 Change Management

Change management is a set of processes employed to ensure that significant changes are implemented in an orderly, controlled and systematic fashion to effect organizational change. Organization performance is based upon the idea that an organization is the voluntary association of productive assets including human, physical and capital resources for the purpose of achieving a share purpose (Adams, Bessant, & Phelp, 2006).

Machuki & Aosa (2011) observed that, Performance gives indication of the effectiveness of an organization. Organization performance can be measured using financial measures such as return on assets, return on equity among others. In addition, performance can be measured by qualitative measures such as research and knowledge creation, resources generation, teaching and learning as well as competitiveness. One of the goals of change management is with regards to the human aspects of overcoming resistance to change in order for organizational members to buy into change and achieve the organization's goal of an orderly and effective transformation (Diefenbach, 2006).

As the pace of change accelerates, Pearce and Robinson (2011) observed that the nature of strategy planning work has shifted from emphasizing analysis and forecasting to communication, co-ordination, and control. Change management involves working with an organization’s stakeholder groups to help them understand what the change means for them, helping them make and sustain the transition and working to overcome any challenges involved. Change management research (Branson, 2008), indicates that if a proposed change cannot be aligned with the core vision, mission or goals of an organization then the collective commitment of organization members to the change may be difficult to obtain.

1.1.1.1 Information Technology

Organizations have undergone a revolution in the adoption and application of complex information technology. In the hope of extracting the greatest value from innovations, organizations have adjusted their management structures, work processes and culture (Orlikowski 2012). Yet, swift technology enhancement unintentionally reduces the presumed lifespan of many Information Technology (IT) systems. Organizations build and rebuild their existing IT systems in response market changes. The results of these initiatives are often rather disappointing. The world has more technology than ever before with technological changes
increasing at an accelerating pace. The amalgamation of data processing, communications and the advances of software allows firms to gain a competitive advantage, improve performance and develop new businesses from various areas. Use of information technology is now shifting from a supportive role to a more strategically oriented role in organizations (Lucas & Turner, 2012).

1.1.1.2 Organization Structure
According to McLagan (2012), there are three types of changes in the organization structure. They are transactional, transitional and transformational. Transactional changes only need minor interventions, for example, training or changing the incentive system, switching software. Transitional change is more complex and require change in roles/responsibilities, power bases and systems. Transformational change requires redesigning the entire organization, especially the fundamental beliefs and norms, in order to adapt to global business demand. Capon (2009) said organisations are sometimes made up of several or many individuals who may have different views in regard to a particular issue. Not all change initiatives are received well by the stakeholders. One must anticipate some resistance and formulate ways on how to overcome these resistances and win the support of the majority stakeholders. Organisations with good teamwork usually pull together to make sure the success of a change process unlike organisation with no unity where members pull apart hence sabotaging the change process.

1.1.1.3 Organisation Culture
Culture is defined as a mixture of values, sets, beliefs, communications and explanation of behaviour that provides guidance to people (Awadh & Saad, 2013). Organizational culture comprises the unwritten customs, behaviors and beliefs that determine the rules of the game for decision-making, structure and power (Wambugu, 2014). She is of the view that culture is based on shared history and traditions of the organization combined with current leadership values. Organizational culture has certain factors that improve sustainability on basis of effectiveness. The improvement in productivity leads to employee commitment as norms, values and objectives help in improving culture of an organization. The system of organization is based upon effective establishment of culture that keep learning/work environment strong.

1.1.1.4 Communication
When implementing an organizational change it is important that there is a communication strategy in place as uncertainty can be more stressful than the practical aspects of the
organizational change. Feeling uncertain about an impending change and what position it may leave employees in is characteristic of those going through change (Schweiger and Walsh, 2012). As such, providing employees with information about a change can help to reduce anxiety and uncertainty about expected outcomes.

Miller, D & Friesen, PH. (2004) found that when change announcements were communicated, those communications that were timely, useful, and addressed employees’ concerns were more likely to help employees feel ready for change. Good communication allay employees’ fears, transmit a message that fosters employee self-efficacy for being able to perform after the change is implemented, and educate employees about the change. Furthermore, communication not only facilitates understanding but also enhances the buy in of employees to the strategic need for change (Van Dam et al., 2008). Communicating with individuals about their appraisal of the change and helping them find a point of personal power within the change movement fosters this confidence in the change (Burnes, 2004).

1.1.2 Firms Performance
According to Richard et al. (2009) performance encompasses three specific areas of firm outcomes: financial performance (profits, return on assets, return on investment, etc.); product market performance (sales, market share, etc.); and shareholder return (total shareholder return, economic value added, etc.) Performance is the accomplishment of a given task measured against preset known standards of accuracy, completeness, cost and speed (Brumbach, 2010).

Assessment of a company's performance should take into account many different measures as there are several factors that determine the performance of economic organization including asset base, leverage, performance of the loan book, corporate governance and the quality of staff and regulations in the industry. The essence of financial performance measurement is to provide the organization with the maximum return on the capital employed in the business (Ngui, 2010).

Hersey and Blanchard (2012) argued that performance has multiple meanings depending on the discipline and they have given some of the definitions based on management scientists, marketers, accountants and economists. Although firm performance plays a key role in strategic research, there is considerable debate on appropriateness of various approaches to the concept utilization and measurement of organization performance.
Harris, (2010) on the other hand, suggests that organizations will determine the level of performance by the overall organizational performance. They argue that the frontier for using data is not just in measurement but also in identifying the most profitable customers, determining the right price, accelerating product innovation, optimizing supply chains, and identifying the true drivers of financial performance. More high performance studies are likely to emerge in the future, partly because the business environment continues to shift and partly because the science of analysis continues to improve (Sharma, 2009).

Brumbach (2010) observed that performance should incorporate both behaviours and results and not just results. In an economy where knowledge and service are key, competitive advantage comes not only through results, but through the behaviours people demonstrate when carrying out their roles and hence if effective performance is to be encouraged in our workplace we need to focus not only in what people do but also how they do it.

1.1.3 Kenya Ferry Services

Kenya ferry services (KFS) provide transport via ferry in Kenya link to both pedestrian and vehicle traffic. They are used both in Mombasa and lake Victoria in KISUMU since 1900’s where in Kisumu they have been used in lake Victoria to transport freight and passengers between Kenya Uganda and Tanzania at Kisumu, Mwanza, Bukoba, Entebbe, port bell and Jinja while in Mombasa the ferry is used between Mvita and Likoni. KFS in Mombasa started in 1937 where the vessel used were pontoons driven motor boats. Modern vessels were introduced in 1957. Currently, the ferry is the only link to the south coast and are operated by KFS which is a state corporation operating under the ministry of transport and infrastructure.

In Mombasa KFS have ferries namely MV Nyayo, MV Harambee, MV Kilindini, MV Kwale and MV Likoni. Each ferry carries an average of about three hundred thousand passenger and five thousand five hundred motor vehicles in a day. The company has further diversified in business to include advertising space on an array of platform. Ferry services in Kenya were run by Kenya bus services on a franchise arrangement with the municipal council of Mombasa. In 1989, the government of Kenya decided to take over operation of the ferries by acquiring all the ferries namely Pwani, Mvita, ST Michael, Pombo and Mtogwe at a price of 10.5 million. Staffs
were retained and Kenya port authority KPA transformed one of its subsidiary company called estate ltd to Kenya ferry services ltd in 1990. The government bought new ferries namely MV Nyayo, MV Harambe, MV Kilindini and MV Mtogwe at a cost of 367 million. This was done to supplement the existing fleet. The ownership of the company by the government was formalized in 1998 through a sectional paper no 3 of the same year, transforming KFS into an independent state corporation. Thus was done by transforming contributions of the government and those of KPA into equity. As a result share capital was increased from 2million to 500 million and the company is now 80% government owned and 20% owned by KPA.

1.2 Statement Of The Problem

Change process in organizations usually happens due to the awareness of the need for change. Through change management organizations are able to reduce costs, to move from a good performance to a great performance, turn around a crisis situation, and catch up with rivals or to divest part of the organization. (Cummings & Worley, 2009). Kenya has a significant demand for infrastructure and there are many issues to be addressed through the provision of modern infrastructure if the country is to meet its goals under the Vision 2030 plan. KFS has made some great advances over the last five years, with the addition of more ferries. However despite these successes it also faces a number of challenges such as sourcing sufficient funds, appropriate approach to deal with ferry maintenance and its assets in a more strategic manner, with good data informing these strategies. (Barua, Konana, Whinston & Yin, 2011),

In spite of the attention that the management of change has received, organizations especially in the KFS continue to experience problems in managing organizational change and the search for generalized laws of change still pervades the discipline (Mwikuyu, 2009). The Kenya ferry services is generally perceived to be resistant to change, it is also perceived to cling to outdated organizational cultures that hamper progressive change initiatives within the service. Some of the recognized challenges included poor technology, poor leadership and governance structures, rigid and outdated organisational culture, lack of proper communication on change management and a bureaucratic organisational structure (Atonga, 2010).

According to CIPEV (2009), there are feelings among Kenyans that the Kenya ferry services even in the advent of the ongoing reforms still has remained a hall mark of the status quo in that
there is very little to write home about successful change management in the institution. This factor has also been attributed to lack of committed leadership to initiate and steer the change management process in the service as a whole. Lack of proper investment and allocation of resources to the department also undermines the change management process in that even the little gains made are usually not supported (Mwikuyu , 2009).

KFS staff members have not fully embraced the culture of integrity as new integrity challenges continue to emerge calling for more robust mitigation strategies with fraud having shifted from manual to the automated environment making it harder to detect and resulting in high amount of revenue leakage. The automated environment has also exposed the KFS automated systems to hacking and other system abuse from both within and without. (Muchelule, 2010).

Several studies have been done in Kenya regarding to Strategic Change Management, for instance, Gichohi (2011) undertook a study on Strategic Change Management at the NIC Bank of Kenya, Mbuva (2009) researched on factors influencing change management practices at CFC Stanbic bank, while Nyagari (2009) focused on the effectiveness of change management practices at the Kenya Commercial Bank (KCB) Ltd. A knowledge gap therefore exists and hence this study seeks to address this gap by assessing the effect of change management strategies on performance of Kenya ferry services.

1.3 Objectives of the Study
1.3.1 General Objective
The general objective of the study was to assess the effect of change management on the performance of Kenya ferry services.

1.3.2 The Specific Objectives are;
   i. To determine the effect of information technology awareness on the performance of Kenya ferry services.
   ii. To analyze the effect of organizational culture on the performance of Kenya ferry services.
   iii. To examine the effect of organization structure on the performance of Kenya ferry services.
   iv. To investigate the effect of communication on the performance of Kenya ferry services.
1.4 Research Questions

i. What is the effect of information technology awareness on the performance of Kenya ferry services?

ii. What is the effect of organizational culture on the performance of Kenya ferry services?

iii. What is the effect of organization structure on the performance of Kenya ferry services?

iv. What is the effect of communication on the performance of Kenya ferry services?

1.5 Significance of the Study

The study findings will be important to the management of KFS as it will help them understand how to manage change and how their understanding can help the public sector enhance its performance. The study will also help other managers know the methods to use in managing change, which will help them improve their performance.

The study is of importance to other public sector institutions such as the Ministry of transport and infrastructure whose interest lies on improved services delivery for customer satisfaction. More specifically in developing policies, they will be able to know certain important of change management and the bigger role in shaping their operations and how they affect performance. The study will also help the institutions in formulating a policy on areas that necessitate change management. The study findings in general, will contribute to the management of change within the public sector. The results of this study will be a source of reference material for future researchers and scholars.

1.6 Scope of the Study

The study was conducted in four departments in Kenya ferry services, in Mombasa County, (Finance and Accounting, Human Resource, Procurement, Operations & Engineering) whereby the study accessed whether information technology, organizational culture and organization structure had an effect on change management in Kenya ferry services, between 10th of October and 2nd of November 2017.

1.7 Limitations of the Study

Some of the respondents did not give all the required information by the researchers with a fear of being victimized. It was hard to access some respondents and non cooperation from some
security officers. However, the researcher ensured proper documentation from the University to support the course.

1.8 Organisation of the Study

The foregoing chapter one provides the research background, research objectives, significance of the study, scope, and the limitations encountered in the course of the study. Chapter two presents literature review on the effect of change management and organisational performance and a conceptual framework. Chapter three presents the methodology of the study including but not limited to the research design, target population, data collection procedures and presentation. Chapter four presents the data analysis and presentation of findings. Chapter five presents the summary, conclusion and recommendations.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction
This chapter reviews the various past studies that have been carried out in relation to change management practices in organizations’ performance. These include the various literatures, existing theories and the conceptual framework.

2.2 Theoretical Literature Review
2.2.1 Stakeholder Theory
Freeman (2004) defines stakeholders as “those groups who are vital to the survival and success of the corporation” Stakeholder theory is an instrument to identify critical stakeholders in the environment of the change management practices in order to define developments for strategy. Moreover, in the contexts of business ethics and corporate social responsibility, stakeholder analysis has been used to identify important areas of concern. Using a range of influencing mechanisms, organizations in the public sector may be able to take advantage of their position as high-saliency stakeholders to influence corporate managers and investment funds. They can develop power, urgency, and legitimacy.

Williamson (1993), the father of transaction cost economics, has argued that the direct principal-agent relationship between owners and managers is distorted with the addition of other stakeholders to the equation. Lewis (1958) suggests that stakeholder theory is intrinsically incompatible with all legitimate business objectives and undermines basic property rights and corporate responsiveness. Stakeholder theory considers economics and ethics issues that make companies take social responsibilities and present fairness to everyone involved in business, with the result that directors will run corporations for benefiting all stakeholders. Thus, the theory can be considered as a good combination between economy and ethics that enables the corporations to grow and promote service.

Stakeholder theory is relevant to this study because it considers economics and ethics issues that make companies take social responsibilities and present fairness to everyone involved in business, with the result that directors will run corporations for benefiting all stakeholders. Thus, the theory can be considered as a good combination between economy and ethics that enables the
corporations to grow and promote service. Stakeholder theory also provides important insights into the ways in which firms and their managers interact with, governments, and other actors.

2.2.2 Lewin’s Three-Step Change Theory

Kurt Lewin (2011) introduced the three-step change model. This social scientist views behavior as a dynamic balance of forces working in opposing directions. Driving forces facilitate change because they push employees in the desired direction. Restraining forces hinder change because they push employees in the opposite direction. Therefore, these forces must be analyzed and Lewin’s three-step model can help shift the balance in the direction of the planned change.

According to Lewin, the first step in the process of changing behavior is to unfreeze the existing situation or status quo. The status quo is considered the equilibrium state. Unfreezing is necessary to overcome the strains of individual resistance and group conformity. Unfreezing can be achieved by the use of three methods. First, increase the driving forces that direct behavior away from the existing situation or status quo. Second, decrease the restraining forces that negatively affect the movement from the existing equilibrium. Third, find a combination of the two methods listed above. Some activities that can assist in the unfreezing step include: motivate participants by preparing them for change, build trust and recognition for the need to change, and actively participate in recognizing problems and brainstorming solutions within a group (Robbins, 2006).

Lewin’s second step in the process of changing behavior is movement. In this step, it is necessary to move the target system to a new level of equilibrium. Three actions that can assist in the movement step include: persuading employees to agree that the status quo is not beneficial to them and encouraging them to view the problem from a fresh perspective, work together on a quest for new, relevant information, and connect the views of the group to well-respected, powerful leaders that also support the change. The third step of Lewin’s three-step change model is refreezing. This step needs to take place after the change has been implemented in order for it to be sustained or “stick” over time.

The purpose of refreezing is to stabilize the new equilibrium resulting from the change by balancing both the driving and restraining forces. One action that can be used to implement Lewin’s third step is to reinforce new patterns and institutionalize them through formal and informal mechanisms including policies and procedures (Robbins, 2006). Therefore, Lewin’s
model illustrates the effects of forces that either promote or inhibit change. Specifically, driving forces promote change while restraining forces oppose change. Hence, change will occur when the combined strength of one force is greater than the combined strength of the opposing set of forces (Robbins, 2006).

Lewin three-step change model is relevant to this study because in change management, if there are two “good” strategies to choose or options to pursue, the decision makers must make a choice of a strategy they know will completely meet their needs. Their choice will probably be the lesser of two evils. Individuals are exposed to opposing positive and negative forces. This conflict is very common in public organizations today, especially regarding leadership. This conflict usually occurs between the leadership and the employees of the organization.

2.3.3 Kotter's 8-Step Change Theory

Kotter (2011) developed a model which should be used at the strategic level of an organization to change its vision and subsequently transform the organization. Each phase lasts a certain amount of time and mistakes at any phase can effect the success of the change. Its approach to change management is as follows: The first step is establishing a sense of urgency. It is imperative for the management to convince the employees and staff of the urgency of taking new direction in the organization. The second step is the creation of a guiding coalition. A coalition of people to lead the change effort should be formed. The team should have enough power, credibility, expertise, excellent leadership skills and a shared objective to foresee the success of the change.

Third step is the development of a change vision. Developing a vision for the future is crucial at this point because it serves as a basis for decision making, motivates people to take action in the right direction and help coordinate actions of different people in a fast and efficient way. The forth step is the communication of the vision for buy-in. To get a buy in with the employees on the vision it needs to be communicated throughout the organization. Kotter advised that under-communication and inconsistence is extremely common. The fifth step is about empowering broad based action among the employees. Once the employees accept the new vision, they need to be empowered to act upon it.

The sixth step is the generation of short-term wins. Research shows that organizations tend to lose the change momentum very quickly. To keep the sense of urgency and fire blazing, short
term wins are essential, companies that experience significant short-term wins are much more likely to complete a transformation process. The seventh step is consolidation of gains to produce more change. Kotter warned that organizations should not declare victory before the changes and business improvements have sunk deeply into a company’s culture as this may kill ongoing momentum allowing resistors to take over. The final step is the incorporation of changes into the culture. This step is about incorporating and anchoring the new practices and approaches into the corporate culture in order to make it stick and not get lost as soon as the pressure of change subsides.

This theory is relevant to this study because substantial change might be needed for the different divisions of the organization and a step-by-step approach would be most beneficial. Leaders to successfully carry out implementation of change, they need to have skills and competencies to enable the role. The employee is the other stakeholder that has a part to play for the change management to be seamless. Employees need to be committed and apply the vision relayed by the management. However, the successful implementation of the model is dependent upon the eight steps being worked through in an orderly manner and fully completed.

2.3 Empirical Literature Review

2.3.1 Information Technology Awareness and Performance

Organizations have undergone a revolution in the adoption and application of complex information technology. In the hope of extracting the greatest value from innovations, organizations have adjusted their management structures, work processes and culture (Orlikowski 2012). Yet, swift technology enhancement unintentionally reduces the presumed lifespan of many Information Technology (IT) systems. Organizations build and rebuild their existing IT systems in response market changes. The results of these initiatives are often rather disappointing. The world has more technology than ever before with technological changes increasing at an accelerating pace. The amalgamation of data processing, communications and the advances of software allows firms to gain a competitive advantage, improve performance and develop new businesses from various areas. Use of information technology is now shifting from a supportive role to a more strategically oriented role in organizations (Lucas & Turner, 2012).
The 2012s were marked by major breakthroughs in computing in organizations as organizations had undergone a revolution in the adoption and application of complex information technology. Nevertheless, swift technology enhancement unintentionally reduces the presumed lifespan of many IT systems. Organizations build and rebuild their existing IT systems in response to needs and market changes. The outcomes of these initiatives are often rather unsatisfactory. Half of these technological change proposals experience failure (Adam, 2011).

A study by Dauda and Akingbade (2011) examined how employee relation could be employed for technological change management. It also sought to determine effective method of using technological innovation for improved performance in the Nigerian manufacturing industry. Question based on the hypotheses were formulated and questionnaires were distributed to select 30 manufacturing industry in beverages, textile, steel, cement and chemical industry in Nigeria. Findings revealed that employee relations do not have significant relationship with technological change.

A study by Abbas, J, Muzaffah, A, Mahamood, H.K Ramzam &Rizvi S.S., (2014) examined the effects of information technology on performance of Allied Bank employees in Pakistan. The data was gathered through unstructured interviews. It was figured out that technology greatly escalates the productivity of employees along with time saving. It greatly affects the workload on employees and ensures control over mistakes and frauds. Quick access to information and ease of use enables the bank employees to deliver quality service. The study recommended that organizations which implement new technology should provide proper training to its employees to increase their performance.

Kute & Upadhyay (2014) examined the relationship between technological changes and its effect on employee performance in commercial printing industry. The study found that technological changes affect employee’s performance in various ways like redundancy, employee turnover and the level of motivation at work. It was noted that technological changes affected skills and performance of the employees in the commercial printing industry. It is worth studying whether technological changes affect performance of employees in universities.
2.3.2 Organization Structure and Performance

According to Duggan (2015) organizational structure can inhibit or promote performance, and this may depend on how effectively the supervisory relationships and workflow influence productivity. He further elaborates that organizational structure affects how performance is measured and managed in an organization. A study by Csaszar (2008) developed and tested a model of how organizational structure influence organizational performance. Organizational structure was conceptualized as the decision-making structure among a group of individuals. The empirical setting was over 150,000 stock-picking decisions made by 609 mutual funds. The findings suggested that organizational structure has relevant and predictable effects on a wide range of organization performance.

In their study Hao, Kasper and Muehlbacher (2012) investigated the relationship between organizational structure and performance, especially through organizational learning and innovation, based on evidence from Austria and China. The findings reinforce the important infrastructure position of organizational structure on performance. Organizational structure had more effects on organizational learning than on innovation, organizational learning has an indirect effect on performance through innovation, except the direct effect of structure on performance. No matter how big or small change is in organization it affects workers either positively or negatively. Effect of change on employees depends on whether they were well informed about change or not.

2.3.3 Organisation Culture and Performance

Awadh & Saad (2013) investigated the relationship between organizational culture and performance. The study recommended that strong organizational culture can be a basis upon which managers and leaders improve their level of performance. Managers need to relate organizational performance and culture to each other as they help in providing competitive advantage. A study by Wambugu (2014) analyzed the influence of organization culture on employee's performance with a focus on Wartsila Limited, a private organization in Kenya. The study revealed that organizational values had a more significant effect to employee's job performance at Wartsila, than the organization climate as is mostly assumed as a vice versa relationship. Overly a positive relationship between organization culture and employee

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performance was established, however the effect diversely varied amongst the variables with work processes and systems in Wartsila having more effect to employees performance.

Osei-Bonsu (2014) carried out a study to assess the extent of employee involvement in the change management processes, assess the effect of change management on employee job satisfaction and thirdly, attitude of employees after organizational change. The findings indicated that employees’ involvement in the process was limited to provision of adequate information. It was also revealed that generally, the change had a positive effect on employees’ job satisfaction. Nadler and Tushman (2010) said Organizational culture significantly affects organisation decisions and, thus, must be evaluated during an internal strategic-management audit. If strategies can capitalize on cultural strengths, such as a strong work ethic or highly ethical beliefs, then management often can implement changes swiftly and easily. However, if the firm's climate is not supportive, strategic changes may be ineffective or even counterproductive. An organisations culture can become antagonistic to new strategies, with the result being confusion and disorientation. An organization's culture should infuse individuals with enthusiasm for implementing and managing change.

A study by Kamugisha (2013) on the effects of change management in an organization; a case study of National University of Rwanda (NUR) sought to find out the effects of change management in National University of Rwanda. The study found that there are changes in the management of faculties. There are also changes in the requirements and performance of the staff, where administrative staffs are now to have at least a bachelor’s degree in relation to the positions they occupy. These changes were found to affect the organization human resources in terms of downsizing, outsourcing and recruiting more staff to fill some new posts. Technological changes in terms of enhanced internet bandwidth in the university have considerably had a significant effect on the operations of the university both in academic and administration.

2.3.4 Communication and Performance
Miller et al., (2004) in their study on organizational performance, found that when change announcements were communicated, those communications that were timely, useful, and addressed employees” concerns were more likely to help employees feel ready for change. Good communication allay employees” fears, transmit a message that fosters employee self-efficacy
for being able to perform after the change is implemented, and educate employees about the change. Furthermore, communication not only facilitates understanding but also enhances the buy in of employees to the strategic need for change (Van Dam et al., 2008). Communicating with individuals about their appraisal of the change and helping them find a point of personal power within the change movement fosters this confidence in the change (Burnes, 2004). Goodman and Truss (2004) found that there was not much difference between those who had received a lot of information and those who had not, showing that even the best-planned communication strategy can still result in employees who feel like they have not received enough information in a timely and appropriate manner. Therefore, ensuring the appropriate change communication strategy is matched to the type of change is very important.

Employees gauge reactions from each other to determine the meaning behind any change messages that are given. Miller et al., (2004) found that those employees who were part of networks such as these received more information than others. Therefore, it is important to consider the effect that networks can have and the best ways to distribute information about a change. Although every organization and every change is different, it is argued that the adoption of a coordinated approach to the design and management of communication can help to avoid costly mistakes and increase the chances of success. It is prudent to keep in mind that even the best planned organizational communication strategy may be affected by the social nature of employees in an organization. Organizations are embedded in social networks, where other employees can have a great effect on how people understand and conceptualize change plans. There are social systems through which information about a change (rationale for change, effect on work processes) is exchanged and discussed (Armenakis, Harris, and Mossholder, 2011).

2.4 Summary of literature and Research Gaps
Organizations have undergone a revolution in the adoption and application of complex information technology. In the hope of extracting the greatest value from innovations, organizations have adjusted their management structures, work processes and culture. Organizational structure had more effects on organizational learning than on innovation, organizational learning has an indirect effect on performance through innovation, except the direct effect of structure on performance No matter how big or small change is in organization it affects workers either positively or negatively. Nevertheless, organizational culture has certain
factors that improve sustainability on basis of effectiveness. The improvement in productivity leads to employee commitment as norms, values and objectives helps in improving culture of an organization.

The system of organization is based upon effective establishment of culture that keep learning/work environment strong. However, good communication allay employees’ fears, transmit a message that fosters employee self-efficacy for being able to perform after the change is implemented, and educate employees about the change. Furthermore, communication not only facilitates understanding but also enhances the buy in of employees to the strategic need for change. The literature discusses theories that are related to the effects of employee reward system to the organization performance namely: Stakeholder Theory, Lewins three step change theory and Kotters 8- step change management theory.

Muogbo (2013) did a study on the effect of change management on organizational growth and development in manufacturing firms in Anambra state in Nigeria. The study concluded that though strategic change management is not yet a common business practice among manufacturing firms in Anambra State, it has been identified as veritable tool for improving the competitiveness, performance levels, and structural development of manufacturing firms in Anambra State in particular and Nigeria in general. Gichunge, (2006) did a study on the effect of formal strategic change management on the performance of selected medium sized manufacturing enterprises in Nairobi. The study found that the majority of MEs have adopted some formal strategic change management which has improved their performance.

From the study of Kariuki (2011) on challenges and survival strategies of supermarkets in Nairobi, supermarkets undertake change programs in order to ensure survival in the sector. Study findings indicated that challenges from the competition and loses from the shop lifting and expiries of products as some critical challenges faced by most supermarkets. To enhance competitiveness and sustain performance, the supermarkets need to ensure appropriate measures are considered to entice customers. The local studies reviewed focused on banks, government institutions as well as manufacturing organisations. This created a research gap that this study
sought to fill by identifying effects of change management practices adopted by Kenya ferry services and their relationship to organizational performance.

2.6 Conceptual Framework

The conceptual framework shows the relationship between variables. The independent variables are information technology awareness, organizational culture, organizational structure and communication which are conceptualized to affect performance of KFS.

![Conceptual Framework Diagram]

**Information Technology Awareness:**
- Advanced communication systems
- Computer-assisted design

**Organizational Culture:**
- Organisational routines
- Coordination in alliances
- Standard operating procedures

**Organization Structure:**
- Organisation responsibility
- Delegation
- Organisation hierarchy

**Communication:**
- Content of communication
- Communication timing
- Method of Communication

**PERFORMANCE OF KFS:**
- Market Share
- Customer Satisfaction

(Independent variables)  (Dependent variable)

**Figure 2.1: Conceptual Framework**

**Source:** Researcher (2017)
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction
This chapter discusses the research methodology used in the study. It outlines the study design, target population, sampling procedure, data collection instruments and procedures, validity and reliability of research instruments as well as data analysis and presentation. All these will be used in order to achieve the desired results as per the dictate of the research objectives.

3.2 Research Design
The study used a descriptive survey. According to Jupp (2006), a descriptive study is aimed at highlighting a characteristic behavior on one variable because of another variable. It is concerned with finding out the what, where and how of a phenomenon. This method was appropriate because this study sought to gain familiarity and insight into the effect of change management on the performance of KFS in Kenya.

3.3 Target Population
The target population in this study was 62 respondents in the four departments (Finance and Accounting, Human Resource, Procurement, Operations & Engineering) and the managing director of KFS.

Table 3.1 Sample Size

<table>
<thead>
<tr>
<th>Name of Departments</th>
<th>No of Management</th>
<th>No of Employees</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>General manager</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Finance and Accounting</td>
<td>1</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Human Resource</td>
<td>1</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Procurement</td>
<td>1</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Operations</td>
<td>2</td>
<td>23</td>
<td>25</td>
</tr>
<tr>
<td>Engineering</td>
<td>2</td>
<td>16</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td><strong>54</strong></td>
<td><strong>62</strong></td>
</tr>
</tbody>
</table>

Source: Author (2017)
3.4 Data Collection Instruments

The main data collection method for the study was a structured questionnaire. Questionnaires were used because they were practical and helped in collection of a large amount of data from many people within a very short period in a cost effective way. It was also easy to quantify the results of a questionnaire (Kazdin, 2011). The questionnaires used contained closed-ended questions which were used to limit the respondents’ answers on the subject matter for easier analysis.

3.5 Data Collection procedure

The questionnaires were self-administered to the respondents who were given a period of two weeks to fill them. The researcher also introduced himself by presenting an introductory letter and a research permit from Kenyatta University and National Commission For Science, Technology and Innovation.

3.6 Validity and Reliability of Research Instruments

3.6.1 Validity

Validity is defined as the extent to which a research instrument measures what is intended to measure (Fraenkel & Wallen 2000). The validity of data collected was made through collecting data from the relevant respondents of the KFS in the study with an introductory letter. The validity of the instrument was established by being given to experts, research assistant with experience and the supervisors who approved the instrument for data collection.

3.6.2 Reliability

According to Ogula (2005), reliability is the extent to which a research instrument yields measures that are consistent each time it is administered to the same individuals or yields consistent results after repeated trials. In order to ensure the reliability of the questionnaires, a pilot study was undertaken to test whether the aim of the study would be achieved, whether there is any ambiguity in any item, whether the research objectives are appropriately addressed.

In this study reliability was ensured through a piloted questionnaire. The aim of the pilot study is to test the reliability of the questionnaires. Zikmund, Babin, Carr, and Griffin (2009) recommend questionnaire pre-tests to be done by personal interviews in order to observe the respondents
reactions and attitudes. All aspects of the questionnaire were pre-tested including question content, wording, sequence, form and layout, question difficulty and instructions.

The pilot data was included in the actual study. The piloted questionnaire was subjected to a sample of 6 (10% of 62) staff members that were not included in the study. The 6 staff members were selected from KPA. The pre-test was conducted using Cronbach’s Alpha coefficient reliability. Sekaran & Bougie (2010) highlighted that Cronbach’s alpha coefficient ranges between 0 and 1 with higher alpha coefficient values of 0.7 and above being more reliable.

3.7 Data Analysis and Presentation

Data analysis method refers to examining what has been collected in a survey or experiment and making deductions and inferences; it includes scrutinizing the acquired information and making inferences (Kombo & Tromp 2006). Once the questionnaires were collected, they were carefully edited to detect errors and omissions for consistency and completeness. The data analysis processes for quantitative items was done using Statistical Package for Social Science (SPSS) version 24. The data from the answered questionnaires was analyzed using descriptive statistics such as mean, t-tests and standard deviation which described the characteristics of the collected data (Kothari, 2012). Karl Pearson’s Zero Order coefficient of correlation, ANOVA, and T-test was used to test the relationships between variables. The researcher further analyzed the responses in terms of percentages. Therefore, it was reliable test to adopt for the study. Hence, the regression model for this study was;

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon \]

Whereby;

\[ Y \] = Organization Performance (value of dependent variable)
\[ \beta_0 \] = Constant Variable
\[ X_1 \] = Information Technology Awareness
\[ X_2 \] = Organizational Culture
\[ X_3 \] = Organization Structure
\[ X_4 \] = Communications
\[ \varepsilon \] = An error term
\[ \beta_1...\beta_4 \] = The corresponding coefficients for the respective independent variables
3.8 Ethical Considerations

Data collection is gathering information to prove some facts. The researcher obtained a letter from Kenyatta University academic office to facilitate data collection. The letter obtained from the university was used to permit the researcher to collect data in the field. The researcher dealt with Finance and Accounting, Human Resource, Procurement, Operations & Engineering in KFS in. The respondents were instructed appropriately and were given sufficient time to fill in the questionnaire.
CHAPTER FOUR
RESEARCH FINDINGS AND DISCUSSION

4.1: Introduction
The chapter presents empirical findings and discussion of results on change management and performance with a specific focus on Kenya ferry services using variables and techniques mentioned in chapter three. Whereas data analysis has been in line with specific objectives are interpreted and implications drawn thereof. This was accomplished as presented by the findings that are discussed thereof:

4.2: Response Rate
This study targeted 62 employees of KFS in Kenya. The response rate was 87% this was an acceptable rate.

Table 4.1: Response Rate

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Number of respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received responses</td>
<td>54</td>
<td>87%</td>
</tr>
<tr>
<td>Un-received responses</td>
<td>8</td>
<td>13%</td>
</tr>
<tr>
<td>Expected responses</td>
<td>62</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source; Author (2017)
A survey was conducted on 62 responded in the four departments (Finance and Accounting, Human Resource, Procurement, Operations and Engineering) and the managing director of KFS. 54 questionnaires were returned by respondents. This represented 87% of the response rate; 13% of the questionnaires were not returned by respondents as indicated in table 4.1 above. Mugenda and Mugenda, (2006) recommends that: 50% response rate is adequate, 60% good and any other response rate above 70% very good. Based on these recommendations, the response rate of 77% was rated very good. Therefore the data collected was capable of enabling the researchers arrive at a satisfactory conclusion about the study.
4.3: Demographic Characteristics of the Respondents

4.3.1: Gender of Respondents

The demographic characteristic of respondents is used in academic studies to determine the suitability of the respondents for the study. This was done using descriptive statistics and given in the figures below.

![Gender Distribution Chart]

**Figure 4.1: Gender of Respondents**

*Source: Author (2017)*

The gender of the respondents was sought. Majority (59%) of the respondents were male while the rest (41%) of the respondents were female as shown in figure 4.1 above. The statistics show that majority of the employees under study in Kenya Ferry Services are male. The distribution however represents a fair gender balancing, an indication of successful efforts of various gender mainstreaming campaigns.

4.3.2: Respondents Age Brackets

The following table represents the age brackets of respondents

**Table 4.2: Respondents Age Brackets**

<table>
<thead>
<tr>
<th>Age</th>
<th>Number of respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 21-30 years</td>
<td>9</td>
<td>17%</td>
</tr>
<tr>
<td>Between 31-40 years</td>
<td>27</td>
<td>50%</td>
</tr>
<tr>
<td>41 years and above</td>
<td>18</td>
<td>33%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Source: Author (2017)*
In a bid to find out the distribution of respondents by age, the researcher found that 50\% of the respondents were between 31-40 years, 33\% of the respondents were 41 years and above, 17\% of the respondents were between 21-30 years while none of the respondents were less than 20 years. From the findings its clear that majority of the respondents 50\% were between 31-40 years and this is because they have experience in the industry and that’s why they have been entrusted with the responsibility they are undertaking in the KFS.  

4.3.3: Working Experience  
The following represents the working experience of each respondent.

![Working Experience Chart]

**Figure 4.2: Working Experience**  
**Source:** Author (2017)  
This question sought to investigate the number of years each respondent had worked in the school. Majority (45\%) of the respondents had a working experience of between 6 to 10 years, 26\% of the respondents had a working experience of 11 years and above, 19\% of the respondents had a working experience of between 1 to 5 years and above while the remaining 10\% of the respondents had a working experience of less than a year as shown in figure 4.2 above. This means that the respondents had adequate working experience with the KFS and therefore possess the necessary knowledge and information which was considered useful for this study.  

4.4 Organisation Performance  
The following table represents the indicators of organizational performance.
Table 4.3: Organization Performance

<table>
<thead>
<tr>
<th>Organization Performance</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction</td>
<td>3.1111</td>
<td>.60397</td>
</tr>
<tr>
<td>Quality of services</td>
<td>3.4815</td>
<td>.66562</td>
</tr>
<tr>
<td>Employee Satisfaction</td>
<td>3.5926</td>
<td>1.05542</td>
</tr>
<tr>
<td>Improved Innovation</td>
<td>3.8889</td>
<td>.88310</td>
</tr>
<tr>
<td>staff development</td>
<td>2.7963</td>
<td>.93928</td>
</tr>
</tbody>
</table>

Source; Author (2017)

As shown in the Table 4.3 above, the researcher sought respondent’s views on the trend of organizational performance in KFS: Customer satisfaction had a mean of 3.1111 and a standard deviation of 0.60397 quality of services was supported by a mean of 3.4815 with a standard deviation of 0.66562. Employee satisfaction as supported by a mean 3.8889 with a standard deviation of 0.88310 and finally staff development was supported by a mean of 2.7963 with a standard deviation of 0.93928.

4.5: Descriptive Statistics

4.5.1: Information Technology Awareness

This presents the effect of information technology on performance of KFS

Table 4.4: Information Technology Awareness

<table>
<thead>
<tr>
<th>Technology Awareness</th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>KFS has sufficient software evaluation</td>
<td>3.5000</td>
<td>.88488</td>
</tr>
<tr>
<td>Inability to retain technical staff</td>
<td>4.1667</td>
<td>.37618</td>
</tr>
<tr>
<td>KFS has proper Information System security</td>
<td>3.4259</td>
<td>.81500</td>
</tr>
<tr>
<td>There is proper information systems interface</td>
<td>4.0926</td>
<td>.68041</td>
</tr>
<tr>
<td>There is adequate basic training on IT for all staff</td>
<td>4.3148</td>
<td>.60887</td>
</tr>
<tr>
<td>There are suitable structures to support automation</td>
<td>3.4630</td>
<td>.84033</td>
</tr>
<tr>
<td>Installation of new systems poses financial challenge to KFS</td>
<td>1.7963</td>
<td>.40653</td>
</tr>
<tr>
<td>There is good Technical compatibility hardware/software</td>
<td>4.1296</td>
<td>.55103</td>
</tr>
<tr>
<td>User of the information systems in KFS have requisite skills</td>
<td>3.4444</td>
<td>.86147</td>
</tr>
<tr>
<td>There is enough understanding of information system Capabilities</td>
<td>3.5185</td>
<td>.72008</td>
</tr>
<tr>
<td>There is enough support from user departments on information system</td>
<td>2.8519</td>
<td>.56326</td>
</tr>
<tr>
<td>There has been resistance to change since the introduction of information system</td>
<td>4.7593</td>
<td>.43155</td>
</tr>
</tbody>
</table>

Source; Author (2017)
As shown in the Table 4.4 above, the researcher sought respondent’s views on the effect of information technology awareness on the performance of Kenya ferry services: Asked whether KFS has sufficient software evaluation had a mean of 3.5000 and a standard deviation of .88488. Inability to retain technical staff (turnover) had a mean of 4.1667 and a standard deviation of .37618. KFS has proper Information System security had a mean of 3.4259 and a standard deviation of .81500. There is proper information systems interface had a mean of 4.0926 had a standard deviation of .68041. There is adequate basic training on IT for all staff had a mean of 4.3148 and a standard deviant of .6088. There are suitable structures to support automation had a mean of 3.4630 and a standard deviation of 0.84033. Installation of new systems poses financial challenge to KFS had a mean of 1.7963 and a standard deviation of 0.40653. There is good Technical compatibility hardware/software had a mean of 4.1296 and a standard deviation of 0.55103. User of the information systems in KFS have requisite skills had a mean of 3.4444 and a standard deviation of 0.86147. There is enough understanding of information system Capabilities had a mean of 3.5185 and a standard deviation of 0.72008. There has been resistance to change since the introduction of information system had a mean of 4.7593 and a standard deviation of 0.43155.

4.5.2: Organization Culture

These represents the effect of organizational culture on performance of KFS

<table>
<thead>
<tr>
<th>Organization Culture</th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>KFS rewards team performance</td>
<td>2.7037</td>
<td>.81564</td>
</tr>
<tr>
<td>KFS rewards individual performance</td>
<td>2.8333</td>
<td>.66588</td>
</tr>
<tr>
<td>KFS promotes creativity among employees</td>
<td>3.2778</td>
<td>.83365</td>
</tr>
<tr>
<td>Managers involve employees in decision making</td>
<td>2.6481</td>
<td>.87216</td>
</tr>
<tr>
<td>Managers are flexible when making decisions</td>
<td>2.8148</td>
<td>.99193</td>
</tr>
<tr>
<td>Employees value team work to individualism</td>
<td>3.7778</td>
<td>.83929</td>
</tr>
<tr>
<td>Managers take time to build relationships with other employees</td>
<td>2.0370</td>
<td>1.18103</td>
</tr>
<tr>
<td>The rules of KFS provide clear instructions, processes and procedures</td>
<td>3.9444</td>
<td>.62696</td>
</tr>
<tr>
<td>There is high importance placed on KFS rules, values, obligations and regulations</td>
<td>4.0741</td>
<td>.57796</td>
</tr>
<tr>
<td>Employees deal with each other fairly relying on the rules, regulations and values</td>
<td>2.2222</td>
<td>.92485</td>
</tr>
<tr>
<td>KFS acknowledges individual employees strengths and credentials</td>
<td>1.6481</td>
<td>1.03080</td>
</tr>
<tr>
<td>There has been improved level of innovations in the bank over the last three years</td>
<td>4.1296</td>
<td>.75351</td>
</tr>
</tbody>
</table>

Source; Author (2017)
As shown in the Table 4.5 above, the researcher sought respondent’s views to analyse the effect of organizational culture on the performance of Kenya ferry services: KFS rewards team performance had a mean of 2.7037 and a standard deviation of 0.81564. KFS rewards individual performance had a mean of 2.8333 and a standard deviation of 0.66588. KFS promotes creativity among employees had a mean of 3.2778 and a standard deviation of 0.83365. Managers involve employees in decision making had a mean of 2.6481 and a standard deviation of 0.87216. Managers are flexible when making decisions had a mean of 2.8148 and a standard deviation of 0.99193. Employees value team work to individualism had a mean of 3.7778 and a standard deviation of 0.83929. Managers take time to build relationships with other employees had a mean of 2.0370 and a standard deviation of 1.18103. The rules of KFS provide clear instructions; processes and procedures had a mean of 3.9444 and a standard deviation of 0.62696. There is high importance placed on KFS rules, values, obligations and regulations had a mean of 4.0741 and a standard deviation of 0.57796. Employees deal with each other fairly relying on the rules, regulations and values had a mean of 2.2222 and a standard deviation of 0.92485. KFS acknowledges individual employee’s strengths and credentials had a mean of 1.6481 and a standard deviation of 1.03080. There has been improved level of innovations in the bank over the last three years had mean of 4.1296 and a standard deviation of 0.75351.

4.5.3: Organization Structure

As shown in the Table 4.6 below, the researcher sought respondent’s views to analyse the effect of organizational culture on the performance of Kenya ferry services: There is high Centralised Decision Making has a mean of 1.9815 and a standard deviation of 0.85761. There is high formalisation of work procedure had a mean of 2.0370 and a standard deviation of 0.88941. No or little action can be taken by a staff on any matter without supervisor permission had a mean of 3.7222 and a standard deviation of 0.87775. All operation activities to be undertaken by the corporation are approved by Chief Executive officer had a mean of 2.3704 and a standard deviation of 0.75975. Sections/departments formal meetings/briefings are conducted on a regular basis had a mean of 2.5000 and a standard deviation of 0.90596. There are formal guidelines on how to deal with every operational activity/situation and the guidelines are available to staff had a mean of 4.6852 and a standard deviation of 0.57705. Written formal communications through established channels must be used on every engagement to be undertaken by the corporation had
a mean of 4.6296 and a standard deviation of 0.48744. Policies and procedures manual are readily available to all staff had a mean of 4.7593 and a standard deviation of 0.51157. There are few levels of hierarchy before a decision is made had a mean of 2.0741 and a standard deviation of 0.96840. Sub-ordinate staffs participate in decision making on matters relating to day to day operations of the corporation had a mean of 2.6296 and a standard deviation of 0.87516. All investment decisions must be approved by board of directors before are undertaken the corporation had a mean of 4.8148 and a standard deviation of 0.39210. All operation activities to be undertaken by the corporation are approved by Chief Executive officer had a mean of 1.9444 and a standard deviation of 0.85598.

Table 4.6: Organization Structure

<table>
<thead>
<tr>
<th>Organization Structure</th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is high Centralized Decision Making</td>
<td>1.9815</td>
<td>.85761</td>
</tr>
<tr>
<td>There is high Formalization Of Work Procedure</td>
<td>2.0370</td>
<td>.88941</td>
</tr>
<tr>
<td>No or little action can be taken by a staff on any matter without supervisor permission.</td>
<td>3.7222</td>
<td>.87775</td>
</tr>
<tr>
<td>All operation activities to be undertaken by the corporation are approved by Chief Executive officer</td>
<td>2.3704</td>
<td>.75975</td>
</tr>
<tr>
<td>Sections/departments formal meetings/briefings are conducted on a regular basis.</td>
<td>2.5000</td>
<td>.90596</td>
</tr>
<tr>
<td>There are formal guidelines on how to deal with every operational activity/situation and the guidelines are available to staff.</td>
<td>4.6852</td>
<td>.57705</td>
</tr>
<tr>
<td>Written formal communications through established channels must be used on every engagement to be undertaken by the corporation.</td>
<td>4.6296</td>
<td>.48744</td>
</tr>
<tr>
<td>Policies and procedures manual are readily available to all staff.</td>
<td>4.7593</td>
<td>.51157</td>
</tr>
<tr>
<td>There are few levels of hierarchy before a decision is made.</td>
<td>2.0741</td>
<td>.96840</td>
</tr>
<tr>
<td>Sub-ordinate staffs participate in decision making on matters relating to day to day operations of the corporation.</td>
<td>2.6296</td>
<td>.87516</td>
</tr>
<tr>
<td>All investment decisions must be approved by board of directors before are undertaken the corporation.</td>
<td>4.8148</td>
<td>.39210</td>
</tr>
<tr>
<td>All operation activities to be undertaken by the corporation are approved by Chief Executive officer</td>
<td>1.9444</td>
<td>.85598</td>
</tr>
</tbody>
</table>

Source; Author (2017)

**4.5.4: Communication**

The following is the presentation of the effect of communication on performance of KFS
Table 4.7: Communication

<table>
<thead>
<tr>
<th>Communication</th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is effective communication on change management in the organisation</td>
<td>2.8333</td>
<td>.69364</td>
</tr>
<tr>
<td>KFS’s Communication in skills set training programs with managers is the</td>
<td>2.6667</td>
<td>1.04611</td>
</tr>
<tr>
<td>way in which most employees receive their career development assistance.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organisation ensures that appropriate communication is applied to</td>
<td>2.7037</td>
<td>.83845</td>
</tr>
<tr>
<td>communicate the needed change</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KFS uses communication methods to motivate its employees</td>
<td>2.3704</td>
<td>1.10396</td>
</tr>
<tr>
<td>KFS uses communication to select and tailor their programs and policies</td>
<td>2.3889</td>
<td>.91973</td>
</tr>
<tr>
<td>to meet the specific needs of their employees.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KFS’s communicates key activities, issues and developments to employees</td>
<td>2.0370</td>
<td>.82332</td>
</tr>
<tr>
<td>and developing policies that facilitate transparency and openness.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication within KFS enables employees to respond more</td>
<td>2.8519</td>
<td>.83344</td>
</tr>
<tr>
<td>enthusiastically to their roles.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers communicate tactics that help the team and total company</td>
<td>2.1111</td>
<td>.86147</td>
</tr>
<tr>
<td>complete the assigned mission.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KFS culture is communicated effectively to the workforce and motivate</td>
<td>2.3519</td>
<td>1.15182</td>
</tr>
<tr>
<td>them to accomplish their aims.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KFS decision-making process includes active communication throughout</td>
<td>2.7778</td>
<td>.92485</td>
</tr>
<tr>
<td>the organization.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Author (2017)

As shown in the Table 4.7 above, the researcher sought respondent’s views to analyze the effect of organizational culture on the performance of Kenya ferry services: There is effective communication on change management in the organization had a mean of 2.8333 and a standard deviation of 0.69364. KFS’s Communication in skills set training programs with managers is the way in which most employees receive their career development assistance had a mean of 2.6667 and a standard deviation of 1.04611. The organization ensures that appropriate communication is applied to communicate the needed change had a mean of 2.7037 and a standard deviation of 0.83845. KFS uses communication methods to motivate its employees had a mean of 2.3704 and a standard deviation of 1.10396. KFS uses communication to select and tailor their programs and policies to meet the specific needs of their employees had a mean of 2.3889 and a standard deviation of 0.91973. KFS’s communicates key activities, issues and developments to employees.
and developing policies that facilitate transparency and openness had a mean of 2.0370 and a standard deviation of 0.82332. Communication within KFS enables employees to respond more enthusiastically to their roles had a mean of 2.8519 and a standard deviation of 0.83344. Managers communicate tactics that help the team and total company complete the assigned mission had a mean of 2.1111 and a standard deviation of 0.86147. KFS culture is communicated effectively to the workforce and motivate them to accomplish their aims had a mean of 2.3519 and a standard deviation of 1.15182. KFS decision-making process includes active communication throughout the organization had a mean of 2.7778 and a standard deviation of 0.92485.

4.6 Inferential Statistics

The study sought to establish the information technology, organizational culture on the performance of Kenya ferry services, of organization structure and communication on the performance of Kenya ferry services. The regression model was of the form:

Whereby $Y$ represented the Organization Performance $\beta_0$ is the Constant Variable $X_1$ is Information Technology Awareness, $X_2$ is Organizational Culture, $X_3$ is Organization Structure, $X_4$ is Communications, $E$ is an error term while $\beta_1...\beta_4$ are corresponding coefficients for the respective independent variables

Table 4.8: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.949</td>
<td>.900</td>
<td>.892</td>
<td>.22929</td>
</tr>
</tbody>
</table>

Source; Author (2017)

a. Predictors: (Constant), Information technology, Organization culture, Organization structure Communication.

Table 4.8 shows that there is a good linear association between the dependent and independent variables used in the study. This is shown by a correlation (R) coefficient of 0.949. The determination coefficient as measured by the adjusted R-square presents a moderately strong relationship between dependent and independent variables given a value of 0.892. This depicts that the model accounts for 89.2% of the total observations while 10.2% remains unexplained by the regression model
Table 4.9: Analysis of Variance (ANOVA)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>23.257</td>
<td>4</td>
<td>5.814</td>
<td>110.596</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>2.576</td>
<td>49</td>
<td>.053</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>25.833</td>
<td>53</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source; Author (2017)

a. Predictors: (Constant), Information technology, Organization culture, Organization structure and Communication

b. Dependent Variable: performance

Table 4.9 above shows that the p value for the model is p<0.001 and this implies that the model is statistically significant as it is lower than the significance level of 0.05. Given that ANOVA showed that the study was significant, it proceeded to analyze the coefficients of correlation also known as regression coefficients

Table 4.10 Regression Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>3.950</td>
<td>.420</td>
<td>9.399</td>
<td>.000</td>
</tr>
<tr>
<td>Information technology</td>
<td>.032</td>
<td>.057</td>
<td>.031</td>
<td>.567</td>
</tr>
<tr>
<td>Organisation culture</td>
<td>.629</td>
<td>.045</td>
<td>.703</td>
<td>13.896</td>
</tr>
<tr>
<td>Organisation structure</td>
<td>.171</td>
<td>.089</td>
<td>.098</td>
<td>1.927</td>
</tr>
<tr>
<td>Communication</td>
<td>.697</td>
<td>.091</td>
<td>.417</td>
<td>7.634</td>
</tr>
</tbody>
</table>

Source; Author (2017)

a. Dependent Variable: Performance

\[ Y = \beta_0 + 0.032X_1 + 0.629X_2 + 0.171X_3 + 0.697X_4 + \varepsilon \]

After the computation of change management and the performance of Kenya ferry services; the findings indicated that information technology had a P>.573, more than the significance level of 0.05. The findings also indicated that organization structure had a P>.060, more than the significance level of 0.05. This shows a weak relationship between organization structure as a factor affecting change management in Kenya Ferry services.
Organization culture had a p<0.001 denoting a strong relationship as a factor affecting change management in Kenya Ferry services. Communication as a factor affecting financial performance of Kenya Ferry services scored a p<0.001 connoting a strong relationship between it and as a factor affecting change management in Kenya Ferry services. The findings clear indication that organization culture and communication strongly affects change management in Kenya Ferry services. However, caution is given that other factors should not be ignored or one becomes to assertive emphasizing one over the other as they too contribute to the performance of Kenya ferry services. What is encouraged here is to improve on their practicability because they can add an immense value to the organization performance as well.
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction
This chapter deals with the conclusions drawn from the findings and recommendations on what to be done and how it can be done. This can be backed up in relation to the objectives brought forward from chapter one

5.2 Summary
This section focuses on the answers to research questions or how each independent variable influences the dependent variables. The discussion follows in accordance with the study objectives

First to determine the effect of information technology awareness on the performance of Kenya ferry services. The findings indicated that the effect of information technology and organizational culture on the performance of Kenya ferry services was a very clear indication that organization culture and communication strongly affects change management in Kenya Ferry services.

Third, to examine the effect of organization structure on the performance of Kenya ferry services. The findings also indicated that organization structure showed a weak relationship between organization structure as a factor affecting change management in Kenya Ferry services.

Finally, to investigate the effect of communication on the performance of Kenya ferry services. Communication as a factor affecting financial performance of Kenya Ferry services. The findings clearly indicated that organization culture and communication strongly affects change management in Kenya Ferry services.

5.3 Conclusion
The study concluded that adoption of information technology improves organizations operations by offering a technology platform, which lead to increased productivity or improve performance when combined with other resources effectively by human resources. However there are technological challenges that relate to electricity disruptions, systems failure such as software or hardware malfunctioning which can cause interruption of services delivery or information loss and also lack of understanding on how to operate the technology by employees.
Organizational culture improves performance of the employees which leads to an improvement on organization performance. A strong organization will focus on the environment it creates for its workers. Focusing on building and sustaining organizational culture shows employees that they are considered as an important part of the company. Once a strong organizational culture is built, it will gain a momentum of its own and will help to allow people to feel valued and express themselves freely. The excitement and energy will end up being a positive influence that affects employee performance positively. A strong and positive organizational culture will help make everyone more efficient and successful.

Organizational structure can inhibit or promote performance, and this may depend on how effectively the supervisory relationships and workflow influence productivity. Organizational structure enables an organization to have common views and missions as they emanate from a single point ensuring there are no conflicts of commands and smooth information flow. Change in organization structure should be flexible enough to respond quickly to changes, challenges and uncertainty. A Well-functioning organizational structure is important for an organization going through change, because if there are flaws in the structure it will affect communication flow.

Communication as one of the important elements for the organizational change can affect the employees' and organization performance as well. A communication network will become critical when the environment is significantly changed. When there is ineffective communication and relationship among employees and supervisors, it will generate a climate that reduces personal commitment impeding organizational change and growth. If there is a good communication between the employees and employers, and the proper information of strategic relevance of imposed organizational change being told, this can help the employee to accept the change. Better acceptance of the change will lead employees to have better performance.

5.4 Recommendations for Policy and Practice

Strategic change is a top down leadership exercise. Change starts with the leadership. The leadership should and must establish vision for the organization and coordination of change leaving implementation to others. KFS should adopt a change process. Strategic change should not be an experiment rather it should have a vision, strategy and an implementation plan to ease
the uncertainties of change. The reward system should be geared to providing the employees with an incentive for the embracing for the strategic change.

For successful change implementation, workers should be properly trained on change programmes and should be educated on the reasons for change. To avoid resistance to change, appropriate change strategies should be put in place by change managers the participative strategy is recommended for change managers. KFS should employ the service of internal change managers to work hand-in-hand with such expert employed externally so as to facilitate growth in performance and smooth change implementation.

Communication needs to be well managed so that at any time during the change process confusion is avoided through clear, accurate and honest messages, by using a variety of media with high coverage and effect. Managers need to anticipate for change especially in the public service where changes occur every second. Thus proactive measures in approach should be encouraged in managing change. This will reduce the negative effect on organizational performance.

5.5 Recommendations for Further Studies
The researcher suggests that a similar study be carried out in other public corporations in the country to see if the same results will be achieved. Also a study can be done to determine the effect of resistance to change management on the dwindling performance of parastatals in Kenya.
REFERENCES


Dear Respondent,

**RE: ASSISTANCE WITH STUDY FOR MASTERS RESEARCH PROPOSAL**

I am a student at Kenyatta University Mombasa Campus. I am carrying out a project on the effect of change management and the performance of Kenya ferry services in Mombasa County, Kenya. This project is a requirement for any master of business administration degree qualification. I kindly request you to give me an opportunity to conduct the research in your organization.

The information gathered will be used exclusively for purposes of this study and shall be kept confidential and used only for academic purposes. A copy of all the findings will be made available to you on request.

Thank you in advance for your kind support.

Yours sincerely,

Caroline Kahoro
APPENDIX II: RESEARCH QUESTIONNAIRE

Dear Sir/ Madam

- Kindly assist by filling the following Questionnaire.
- This research is for academic purposes only.
- Your opinions shall be kept confidential.

Please Tick ( ) the appropriate answer and give reasons of the explanations where necessary.

Part A: General Information

*Please tick (√) appropriately.*

Gender (please tick in the box)

i. Male [ ]

ii. Female [ ]

Age of the respondents

i. 20 years and below [ ]

ii. Between 21-30 years [ ]

iii. Between 31-40 years [ ]

iv. 41 years and above [ ]

For how long have you been in the KFS?

i. Less than a year [ ]

ii. Between Years 1-5 years [ ]

iii. Between 5-10 years [ ]

iv. 10 years and above [ ]

To date, what has been your highest formal qualification?

Certificate/ Diploma [ ] Undergraduate [ ]

Post graduate level [ ] Other (Specify…………….) [ ]
SECTION B: INFORMATION TECHNOLOGY
Kindly indicate your level of agreement with each of this statement in regard to the effect of information technology awareness on the performance of Kenya ferry services. Please tick (✓) appropriately. 1=Strongly Disagree, 2=Disagree, 3= Moderate, 4=Agree, 5=Strongly Agree

<table>
<thead>
<tr>
<th>Information Technology Awareness</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>KFS has sufficient software evaluation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inability to retain technical staff (turnover).</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KFS has proper Information System security</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is proper information systems interface</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is adequate basic training on IT for all staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There are suitable structures to support automation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Installation of new systems poses financial challenge to KFS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is good Technical compatibility hardware/software</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>User of the information systems in KFS have requisite skills</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is enough understanding of information system Capabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is enough support from user departments on information system</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There has been resistance to change since the introduction of information system</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SECTION C: ORGANISATION CULTURE
Kindly indicate your level of agreement with each of this statement in regard to the effect of organizational culture on the performance of Kenya ferry services. Please tick (✓) appropriately. 1=Strongly Disagree, 2=Disagree, 3= Moderate, 4=Agree, 5=Strongly Agree

<table>
<thead>
<tr>
<th>Organisation Culture</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>KFS rewards team performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KFS rewards individual performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KFS promotes creativity among employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers involve employees in decision making</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers are flexible when making decisions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees value team work to individualism</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Managers take time to build relationships with other employees

The rules of KFS provide clear instructions, processes and procedures

There is high importance placed on KFS rules, values, obligations and regulations

Employees deal with each other fairly relying on the rules, regulations and values

KFS acknowledges individual employees strengths and credentials

There has been improved level of innovations in the KFS over the last three years

**SECTION D: ORGANISATION STRUCTURE**

Kindly indicate your level of agreement with each of this statement in regard to the effect of organization structure on the performance of Kenya ferry services. Please tick (√) appropriately.

1=Strongly Disagree, 2=Disagree, 3= Moderate, 4=Agree, 5=Strongly Agree

<table>
<thead>
<tr>
<th>Organisation Structure</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is high Centralised Decision Making</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is high Formalisation Of Work Procedure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No or little action can be taken by a staff on any matter without supervisor permission.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All operation activities to be undertaken by the corporation are approved by Chief Executive officer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sections/departments formal meetings/briefings are conducted on a regular basis.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There are formal guidelines on how to deal with every operational activity/situation and the guidelines are available to staff.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Written formal communications through established channels must be used on every engagement to be undertaken by the corporation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policies and procedures manual are readily available to all staff.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There are few levels of hierarchy before a decision is made.</td>
<td></td>
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<td>Sub-ordinate staffs participate in decision making on matters relating to day to day operations of the corporation.</td>
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<td>All investment decisions must be approved by board of directors before are undertaken the corporation.</td>
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<td>All operation activities to be undertaken by the corporation are approved by Chief Executive officer</td>
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SECTION E: COMMUNICATION

Kindly indicate your level of agreement with each of this statement in regard to the effect of communication on the performance of Kenya ferry services. Please tick (✓) appropriately.

1=Strongly Disagree, 2=Disagree, 3= Moderate, 4=Agree, 5=Strongly Agree

<table>
<thead>
<tr>
<th>Communication</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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</thead>
<tbody>
<tr>
<td>There is effective communication on change management in the organisation</td>
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<td>KFS’s Communication in skills set training programs with managers is the way in which most employees receive their career development assistance.</td>
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<td>The organisation ensures that appropriate communication is applied to communicate the needed change</td>
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<td>KFS uses communication methods to motivate its employees</td>
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<td>KFS uses communication to select and tailor their programs and policies to meet the specific needs of their employees.</td>
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<td>KFS’s communicates key activities, issues and developments to employees and developing policies that facilitate transparency and openness.</td>
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<td>Communication within KFS enables employees to respond more enthusiastically to their roles.</td>
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<td>Managers communicate tactics that help the team and total company complete the assigned mission.</td>
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<td>KFS culture is communicated effectively to the workforce and motivate them to accomplish their aims.</td>
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<td>KFS decision-making process includes active communication throughout the organization.</td>
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SECTION F: Measurement of Performance

Indicate the level of your agreement or disagreement against every statement given below on the performance of Kenya ferry services. React on the items provided by using the scale given. Please tick (√) appropriately.

1=Very Dissatisfied; 2=slightly Dissatisfied; 3=Neutral; 4=Slightly Satisfied; 5=Very Satisfied

<table>
<thead>
<tr>
<th>Performance</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction</td>
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<td>Quality of services</td>
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<tr>
<td>Employee Satisfaction</td>
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<td>Improved Innovation</td>
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<td>Staff development</td>
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</table>

THANK YOU FOR PARTICIPATING!
APPENDIX III: RESEARCH PERMIT